GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:1671
ANSWERED ON:04.12.2006
CREATION OF WAREHOUSING CAPACITY
Lagadapati Shri Rajagopal

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a)Whether the Andhra Pradesh State Warehousing Corporation has recently created an additional 17.2 lakh metric tonne storage space for the Food Corporation of India (FCI);

(b) If so, the details of agreement entered into between the FCI and Andhra Pradesh State Warehousing Corporation for creation of said space;

(c)The details of rental charges paid by FCI to various State Warehousing Corporations at par with the Central Warehousing Corporation (CWC);

(d) Whether the FCI has not increased the rental charges to be paid to the Andhra Pradesh State Warehousing Corporation since 2002 inspite of increasing the same for other State Warehousing Corporations;

(e) If so, the reasons therefor; and

(f) The steps taken for payment of revised rentals to Andhra Pradesh State Warehousing Corporation ?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION(DR. AKHILESH PRASAD SINGH)

(a):Yes, Sir. The Andhra Pradesh State Warehousing Corporation (APSWC) had got created 17.6 lakh MTs storage space for the Food Corporation of India (FCI) under the seven years guarantee scheme.

(b):The FCI had agreed to give seven years guarantee for using godowns to be constructed or to be got constructed by APSWC and to make such payments of storage charges to APSWC at par with Central Warehousing Corporation (CWC) subject to the specifications of godowns and services of storage being equal, as per instructions issued by the FCI from time to time.

(c):The FCI had fixed storage charges at the rate of Rs.1.51 per bag of 50 kg. per month

(Rs.30.20 per MT) with effect from 1.4.2001 to 31.3.2002 and Rs.1.79 per bag of 50 kg per month (Rs.35.80 per MT) with effect from 1.4.2002 at par with the CWC.

(d):Yes, Sir.

(e):It was observed by the FCI that the APSWC was paying much less godown rent i.e. Rs.2.00 per sq. ft. per month (Rs.12.00 per MT) to the private investors and the expenditure incurred by the APSWC on the maintenance of the stocks and godowns was also limited. Therefore, it was decided to restrict the payment to the extent as agreed between the investors and the APSWC + 15% supervision charges.

This decision has been implemented uniformly with effect from 25.4.06 in all the states where the State Warehousing Corporations (SWCs) had got the godowns constructed through private investors under the seven years guarantee scheme.

(f):The FCI has requested APSWC to provide the details of the actual expenditure incurred as per their Annual Accounts for the year 2005-06. Currently, ad hoc payment is being made to APSWC as per actual rents paid to the investors plus 15% supervision charges.